

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF ROGERS     ) APPEAL NO. 07-A-2364  
TRUST from the decision of the Board of     ) FINAL DECISION  
Equalization of Bonner County for tax year 2007.     ) AND ORDER

**RESIDENTIAL PROPERTY APPEAL**

THIS MATTER came on for hearing November 6, 2007, in Sandpoint, Idaho before Hearing Officer Steven L. Wallace. Board Members Lyle R. Cobbs, David E. Kinghorn and Linda S. Pike participated in this decision. Trustees Dolores and J. Richard Rogers appeared for Rogers Trust. Assessor Jerry Clemons, Residential Supervisor Jeri Peterson and Appraiser Colleen Bunn appeared for Respondent Bonner County. This appeal is taken from a decision of the Bonner County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. 57N01E319530A.

**The issue on appeal is the market value of a rural residential property.**

**The decision of the Bonner County Board of Equalization is affirmed.**

FINDINGS OF FACT

The assessed one-acre rural land homesite valuation is \$400,000, 9.0 acres of forest land is \$1,386, residential improvements' valuation is \$125,659, other improvement is \$7,591, totaling \$534,636. Appellant requests the one-acre homesite's value be reduced to \$35,000, and the other values remain as assessed. Appellant is only challenging the one-acre homesite value and contends it should be \$35,000.

The subject property is located on Pend Oreille Lake, and has 365 feet of water frontage, improved with a residence.

Appellant disputed subject's assessed value based on the assessed values of

surrounding properties. Appellant explained the features and similarities between subject and neighboring properties. The subject parcel is one-third of an original parcel that was divided into three equal parcels. The three parcels have the same lakefront footage and are timbered. Upon researching the neighboring assessments, Appellant discovered a large discrepancy between assessed values. Photographs and Assessment Notices for several properties were submitted.

The County began with an explanation of the assessment inequalities for properties surrounding subject. A detailed explanation was given as to why the neighboring properties had different assessed values. It was stated that one property valuation was incorrect. The land was erroneously assessed as forest lands. One-hundred feet of waterfront should have been assessed for \$400,000 like the subject homesite. This error was found too late for the 2007 tax year, but has reportedly been corrected for 2008. Another property was assessed as forest lands, and to the Assessor's knowledge, there was no residence on the property. As such the valuation would not equal subject.

The County submitted five 2006 lakefront sales. Prices ranged between \$365,000 and \$850,000, or between \$2,626 and \$8,500 per front foot. Front footage ranged between 100 and 180 feet. Subject has 365 front feet, however, as some of subject is designated as forest lands, only 100 front feet was assessed at market value for \$400,000, or \$4,000 per front foot.

The County noted other lakefront properties improved with residences are also assessed at \$4,000 per front foot.

#### CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to

support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Market value for assessment purposes is defined by statute, Idaho Code § 63-201(10), as follows.

"Market value" means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Respondent presented several 2006 sales to support subject's assessed value. Recent, proximate sales of similar properties are generally considered good evidence of value.

Appellant presented property characteristics for subject and detailed assessed values for neighboring properties. Taxpayer was understandably perplexed by the extreme difference in assessed values when compared to subject.

It was demonstrated by the County that an assessment error existed on one neighboring property and the other inequity was justified due to a timber classification.

Appellant did not present lakefront sales information for the Board to consider. The value claim of \$35,000 for the one-acre homesite was not supported by market information. The existence of one nearby and gross assessment error is not found to justify an equity reduction.

The admitted mistake was not shown to be fraudulent, or intentional and systematic discrimination. The Senator, Inc. v. Ada County Board of Equalization, 138 Idaho 566, 569, 67

P.3d 45, 48 (2003).

Therefore the 2007 Bonner County assessment of subject property will be affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Bonner County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

MARCH 4, 2008